

Democratic Leaders File Brief In Support of California Consumers

Officials Say Energy Refunds Are Long Overdue

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Washington, DC – California's Democratic leaders in the United States Congress and Sacramento announced today that they have jointly filed an amicus brief before the United States Court of Appeals for the Ninth Circuit regarding the inflated prices California citizens and businesses were forced to pay during the 2000-2001 electricity crisis. The brief was filed on Thursday, May 6, 2004.

In a remarkable show of unity and support, the brief was signed by California's United States Senators, 33 of California's members of the United States House of Representatives, the President pro Tempore of the California State Senate, and the Speaker of California's State Assembly. Together these elected officials represent the interests of millions of Californians in Congress and the State Legislature. The vast majority of their constituents suffered significant economic harm during the 2000-2001 electricity crisis as the result of inflated energy prices caused by widespread illegal manipulation of California's energy markets by energy wholesalers and marketers. Those consumers deserve to be heard; but unless the Court grants the requested relief, they will not be permitted.

Specifically, the brief asks the Court to clarify a previous order and direct the Federal Energy Regulatory Commission (FERC) to collect evidence of energy market manipulation in an existing remedy proceeding subject to judicial review. FERC has been adjudicating these issues in non-public proceedings that shut California consumers out of the process.

"Californians have waited far too long for resolution to the energy crisis of 2000 and 2001," Congresswoman Zoe Lofgren said. "In our brief, we ask that the Court direct FERC to open these proceedings and finally deliver much needed relief to California consumers. They were cheated out of billions of dollars, and they deserve to get it back."

"Attorney General Lockyer has charged that FERC has short-changed Californians through piecemeal settlements with energy companies that unacceptably limit California's recovery. I agree wholeheartedly," said Senator Dianne Feinstein. "FERC has established a pattern of entering into settlements in private proceedings without adequate input from California and the end result is that FERC is settling claims that will amount to far less than the \$9 billion owed to California. This is simply unacceptable. FERC is not above the law—it must act in accordance with the Ninth Circuit's decision. I am pleased to join my colleagues on this amicus brief."

"For the past three years, I have called on FERC to refund at least \$8.9 billion that is owed to California," said Senator Barbara Boxer. "FERC has ignored my pleas at the expense of the California consumer. Despite evidence that California's electricity market was manipulated by the withholding of electricity and schemes such as Fat Boy, FERC hasn't acted. So, today I am supporting California Attorney General Lockyer's efforts to go to the courts to obtain the money that California is owed."

"California consumers continue to pay the price for illegal market manipulation during the energy crisis, and FERC continues to do little to help," said House Democratic Leader Nancy Pelosi. "With California in fiscal crisis, refunding the billions of dollars stolen from California consumers should be a top priority for all state leaders. Democrats are reminding the Court that those who cheated California consumers must pay."

"If FERC hadn't dropped the ball on oversight, California wouldn't need refunds," said Senator John Burton, President Pro Tempore of the California State Senate. "If FERC hadn't dropped the ball on refunds, California wouldn't be in court. I support the motions by the Attorney General and the California Public Utilities Commission asking the 9th Circuit to compel FERC to provide a fair and open process in which the California parties have a real shot at getting back the billions of dollars our ratepayers are owed."

"California is still suffering from the consequences of the energy crisis," said California State Assembly Speaker Fabian Nunez. "The Ninth Circuit should not allow FERC to shirk its responsibility. It must analyze the extensive and compelling

evidence presented and order billions of dollars in refunds. Californians deserve their money back, and an opportunity to close the door on the 2001 crisis. They want a reliable, affordable energy supply and I am going to fight to ensure Californians get both."

"Enron, Reliant, and other energy companies used market manipulation to ruthlessly price gouge California consumers and businesses in 2000 and 2001," said Congressman Henry Waxman. "We are supporting the state's efforts to bring a just resolution to these abuses not only to hold energy companies accountable for their actions but also to return billions of dollars to the California economy."

"FERC has been derelict with its hands-off, blind-eye approach to the gouging of California's consumers in 2000 and 2001," said Congresswoman Anna Eshoo. "Instead of ordering refunds to Californians, FERC has privately settled with companies for pennies on the dollar, with the consumer being forced to pick up the tab. California's Democratic Members of Congress have been a 'truth squad' on this issue for years and it's now time for the Governor and our Republican colleagues to join us in this fight."

"Today I join my colleagues in making yet another plea to aid Californians who were ripped off in the energy crisis," said Congresswoman Lois Capps. "FERC didn't stop the energy companies from gouging our state. FERC has also largely refused to help ensure these companies pay California back. I hope the Governor will join us in this latest attempt to bring justice to California and secure the money owed to our citizens."

"The energy crisis is not over. \$9 billion is owed our state and consumers by price gouging utilities. It's time we bring this money back to our state and back to our consumers," said Congresswoman Hilda Solis.

"With Republicans in Sacramento and Washington slashing funding for everything from veterans to education to health care, it's surprising they don't seize this chance to get Californians the billion dollar rebates they deserve from crooked energy companies," said Congressman Bob Filner. "They should join Democrats in insisting that FERC enforce the law to compel Enron and its cohorts to pay back the California citizens they cheated four years ago."

"It's been four years since San Diego ratepayers were hit with the front edge of the energy crisis perpetrated by the energy companies, and FERC has failed to provide restitution to ratepayers," said Congresswoman Susan Davis. "Now FERC is entering into private deals with the energy companies on settlements. As the ratepayers were the ones who suffered due the illegal actions of the energy companies, they should not be shut out of the settlement process."

Amicus Curiae is a Latin term meaning "friend of the court". It is the name for a brief filed with the court by someone who is not a party to the case, but who believes that the court's decision may affect its interest.

The following officials signed the brief:

Senator Dianne Feinstein

Senator Barbara Boxer

House Democratic Leader Nancy Pelosi (CA-8)

California Democratic Congressional Delegation Chair Zoe Lofgren (CA-16)

Congressman Pete Stark (CA-13)

Congressman George Miller (CA-7)

Congressman Henry Waxman (CA-30)

Congressman Robert Matsui (CA-5)

Congressman Tom Lantos (CA-12)

Congressman Howard Berman (CA-28)

Congressman Cal Dooley (CA-20)

Congresswoman Maxine Waters (CA-35)

Congressman Xavier Becerra (CA-31)

Congresswoman Anna Eshoo (CA-14)

Congressman Bob Filner (CA-51)

Congresswoman Lucille Roybal-Allard (CA-34)

Congresswoman Lynn Woolsey (CA-6)

Congressman Sam Farr (CA-17)

Congresswoman Jane Harman (CA-36)

Congresswoman Juanita Millender-McDonald (CA-37)

Congresswoman Loretta Sanchez (CA-47)

Congressman Brad Sherman (CA-27)

Congresswoman Ellen Tauscher (CA-10)

Congresswoman Lois Capps (CA-23)

Congresswoman Barbara Lee (CA-9)

Congresswoman Grace Napolitano (CA-38)

Congressman Mike Thompson (CA-1)

Congressman Joe Baca (CA-43)

Congresswoman Susan Davis (CA-53)

Congressman Mike Honda (CA-15)

Congressman Adam Schiff (CA-29)

Congresswoman Hilda Solis (CA-32)

Congresswoman Diane Watson (CA-33)

Congressman Dennis Cardoza (CA-18)

Congresswoman Linda Sanchez (CA-39)

Senator John Burton, President Pro Tempore of the California State Senate

Speaker of the California State Assembly Fabian Nunez